

**ST. TAMMANY PARISH
SEWERAGE DISTRICT NO. 2**

Slidell, Louisiana

**Financial Statements
and
Independent Accountant's Compilation Report**

December 31, 2012

Contents

Independent Accountant's Compilation Report	1
--	----------

Basic Financial Statements

Statement of Net Position	2
Statement of Activities	3

Independent Accountant's Compilation Report

To the Board of Commissioners
St. Tammany Parish Sewerage District No. 2
Slidell, Louisiana

We have compiled the accompanying statement of net position of St. Tammany Parish Sewerage District No. 2 (the District), a component unit of the St. Tammany Parish Government, as of December 31, 2012, and the related statement of activities for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters

The District has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America have determined is necessary to supplement, although not required to be part of, the basic financial statements.



A Professional Accounting Corporation

February 28, 2013

NEW ORLEANS HOUSTON BATON ROUGE COVINGTON

An Independently Owned Member, McGladrey Alliance

The McGladrey Alliance is a premier affiliation of independent accounting and consulting firms. The McGladrey Alliance member firms maintain their name, autonomy and independence and are responsible for their own client fee arrangements, delivery of services and maintenance of client relationships.

ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 2
Statement of Net Position
December 31, 2012

Assets

Current Assets

Cash	\$ 66,299
Certificates of Deposit	75,000
Accounts Receivable	<u>907</u>

Total Current Assets	<u>142,206</u>
-----------------------------	-----------------------

Property and Equipment

Treatment Plant, Lines and Equipment	198,503
Less: Accumulated Depreciation	<u>(161,564)</u>
	36,939
Land	<u>3,336</u>

Total Property and Equipment, Net	<u>40,275</u>
--	----------------------

Total Assets	<u>\$ 182,481</u>
---------------------	--------------------------

Liabilities and Net Position

Current Liabilities

Deferred Revenue	\$ 1,240
------------------	----------

Net Position

Invested in Capital Assets	40,275
Unrestricted	<u>140,966</u>

Total Net Position	<u>181,241</u>
---------------------------	-----------------------

Total Liabilities and Net Position	<u>\$ 182,481</u>
---	--------------------------

See Independent Accountant's Compilation Report.

ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 2
Statement of Activities
For the Year Ended December 31, 2012

Operating Revenue	
Charges for Services	\$ 28,908
Operating Expenses	
Repairs and Maintenance	17,279
Service Fees	7,500
Utilities	4,284
Insurance	2,664
Depreciation	2,194
Water Test	1,703
Legal and Professional	950
Office Expense	850
Total Operating Expenses	37,424
Net Operating Loss	(8,516)
Other Revenue	
Interest Income	777
Total Other Revenue	777
Change in Net Position	(7,739)
Net Position, Beginning of Year	188,980
Net Position, End of Year	\$ 181,241

See Independent Accountant's Compilation Report.